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### IRS OVERSIGHT BOARD APPROVES IRS FY2002 BUDGET

(WASHINGTON, DC) The IRS Oversight Board voted to approve an IRS budget during a special teleconference meeting held February 26<sup>th</sup>.

The Board recommended a \$10 billion budget to support what Chairman Larry R. Levitan calls “key elements” in the IRS modernization. The budget recommends:

- Providing \$1 billion for two years of funding for the Information Technology Investment Account (ITIA). This account is the mechanism used to pay for the massive technology modernization program that will replace the agency’s aging systems. Chairman Levitan noted that, “This multi-year funding is consistent with the original approach for ITIA and is required to ensure a consistent flow of funding for this critical program.”
- Fully-funding the completion of personnel increases approved by Congress last year. The increase will reverse a decade-long 15% drop in the number of full-time employees.
- Upgrading computer workstations necessary to support software. The software is part of the IRS’ computer modernization effort.

Chairman Levitan stated, “The Board began last year reviewing the IRS FY2002 budget carefully. After extensive work, the Board feels strongly that this level of funding is necessary to support the basic operations of the IRS and the modernization of its computer systems.”

The Board, created under the IRS Restructuring and Reform Act of 1998, reviews and approves the budget prepared for the Commissioner and is charged to ensure that the budget request supports IRS’ annual and long-term strategic plans.

The Board will next meet on March 20-21 in Washington, DC.